

~~SECRET~~  
**CONFIDENTIAL**

Director of Personnel

Comptroller

Revision of Regulations to Prohibit Certain Types of Personnel  
Transfers Prior to Approval of Personnel Actions

REFERENCE: Memorandum from this Office to Chief, Audit Staff dated 20 March 1956,  
Concerning a Review of Salary Overpayments

1. The following paragraph is quoted from a recent Audit Staff  
memorandum concerning certain types of salary overpayments.

"b. In three cases staff employees were placed on the payroll of  
the cover company by the operating division prior to approval of  
the personnel actions and without notifying the Finance Division.  
As a result the employees continued to receive their full pay  
from headquarters in addition to their cover pay. The case  
officer stated that due to the immediate need for these employees  
by the cover company he could not hold up their transfer until  
the personnel actions could be processed. Consideration should be  
given to providing in the regulations that the Finance Division be  
notified in advance in those cases where, because of an emergency,  
it becomes necessary to transfer an employee to a cover company  
prior to approval of the personnel action."

2. In our reply to Chief, Audit Staff (paragraph 2 of reference),  
we expressed a reservation as to the advisability of revising the  
regulations to provide for notification to Finance Division of a circum-  
stance which in itself seemed to be inconsistent with the intent of  
existing regulations. Inasmuch, however, as we have not been able to  
determine that existing regulations specifically state that Agency per-  
sonnel shall not be placed on the payroll of a cover company prior to  
the approval of personnel actions, we believe it may be desirable to  
amend the applicable regulations to so provide.

3. We shall appreciate your giving consideration to this matter,  
and if you concur that the regulation should be amended, we shall  
appreciate having you initiate the necessary amendment.

E. R. BRUNDERS

**CONFIDENTIAL**

JOB NO. 28-03578A  
IN CLASS  
NEXT REV. DATE 10  
NO. PAGES 1  
REV CLASS S  
FORM NO. 6  
FID NO. 8  
DOC. NO. 1  
NO CHANGE  
DATE 28 MAR 1956  
BY 257  
TYPED DOC. 02  
ORG. COM. 32  
ORG. CLASS S  
AUTH: NR 792

25X1A